

<i>SERFF Tracking Number:</i>	<i>EMCC-125834389</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>EMC Property &amp; Casualty Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>AR-BOP-2008-06</i>		
<i>TOI:</i>	<i>05.0 Commercial Multi-Peril - Liability &amp; Non-</i>	<i>Sub-TOI:</i>	<i>05.0002 Businessowners</i>
	<i>Liability</i>		
<i>Product Name:</i>	<i>Businessowners Program</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Filing at a Glance

Companies: EMC Property & Casualty Company, EMCASCO Insurance Company, Employers Mutual Casualty Company, Union Insurance Company of Providence

Product Name: Businessowners Program      SERFF Tr Num: EMCC-125834389      State: Arkansas

TOI: 05.0 Commercial Multi-Peril - Liability & Non-Liability      SERFF Status: Closed      State Tr Num: EFT \$50

Sub-TOI: 05.0002 Businessowners      Co Tr Num: AR-BOP-2008-06      State Status: Fees verified and received

Filing Type: Form      Co Status:      Reviewer(s): Betty Montesi, Llyweyia Rawlins

Author: Jo Byers      Disposition Date: 09/29/2008

Date Submitted: 09/26/2008      Disposition Status: Approved

Effective Date Requested (New): 01/01/2009

Effective Date Requested (Renewal): 01/01/2009

Effective Date (New): 01/01/2009

Effective Date (Renewal): 01/01/2009

State Filing Description:

## General Information

Project Name:

Project Number:

Reference Organization:

Reference Title:

Filing Status Changed: 09/29/2008

State Status Changed: 09/29/2008

Corresponding Filing Tracking Number:

Filing Description:

September 26, 2008

Status of Filing in Domicile: Authorized

Domicile Status Comments:

Reference Number:

Advisory Org. Circular:

Deemer Date:

Commissioner of Insurance

Arkansas Insurance Department

SERFF Tracking Number: EMCC-125834389 State: Arkansas  
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TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners  
Liability  
Product Name: Businessowners Program  
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1200 West Third St.  
Little Rock, AR 72201-1904

EMPLOYERS MUTUAL CASUALTY COMPANY – 062-21415  
EMCASCO INSURANCE COMPANY – 062-21407  
UNION INSURANCE COMPANY OF PROVIDENCE – 062-21423  
EMC PROPERTY & CASUALTY COMPANY – 062-25186  
Businessowners Program  
Form Revision  
Company File # AR-BOP-2008-06  
Effective: January 1, 2009

As member companies of Insurance Services Office, the Businessowners program is filed on our behalf. We are submitting a form revision to be applicable to policies written on or after January 1, 2009.

ISO's multistate form revision found in reference number CL-2008-OWEFO has been filed on our behalf. We will be adopting this revision using their effective date. In connection with this adoption, we are revising three endorsements to track with ISO's new endorsement BP0159 (08-08) Water Exclusion Endorsement.

BP7100 (9-08) Businessowners Extension Endorsement replaces BP7100 (8-08), which was approved July 1, 2008  
BP7200 (9-08) Expanded Businessowners Extension Endorsement replaces BP7200 (8-08), which was approved July 1, 2008  
BP7141 (9-08) Laundry/Dry Cleaner Industry Extension replaces BP7141 (8-08), which was approved July 1, 2008

We supplement this filing with the following:

- \$50.00 filing fee (EFT)
- Property & Casualty Transmittal Document
- Marked up forms
- Final printed copies of our forms

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We respectfully request your approval of this filing to be applicable to policies written on or after January 1, 2009. Thank you.

Jo L. Byers, Filings Analyst  
 Rates and Filings Dept.  
 (800) 247-2128 Ext. 2707  
 jo.l.byers@emcins.com

## Company and Contact

### Filing Contact Information

Jo Byers, Filings Analyst  
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 Des Moines, IA 50306-0712  
 Jo.L.Byers@EMCIns.com  
 (800) 247-2128 [Phone]  
 (515) 345-2223[FAX]

### Filing Company Information

EMC Property & Casualty Company	CoCode: 25186	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 63-0329091	

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EMCASCO Insurance Company	CoCode: 21407	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 42-6070764	

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Employers Mutual Casualty Company	CoCode: 21415	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:
(800) 247-2128 ext. [Phone]	FEIN Number: 42-0234980	

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Union Insurance Company of Providence	CoCode: 21423	State of Domicile: Iowa
717 Mulberry Street	Group Code: 62	Company Type: P & C
Des Moines, IA 50309	Group Name:	State ID Number:

(800) 247-2128 ext. [Phone] FEIN Number: 05-0230479  
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TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners  
Liability  
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## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
EMCASCO Insurance Company	\$0.00	09/26/2008	
Employers Mutual Casualty Company	\$50.00	09/26/2008	22751101
EMC Property & Casualty Company	\$0.00	09/26/2008	
Union Insurance Company of Providence	\$0.00	09/26/2008	

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## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	09/29/2008	09/29/2008

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## Disposition

Disposition Date: 09/29/2008  
Effective Date (New): 01/01/2009  
Effective Date (Renewal): 01/01/2009  
Status: Approved  
Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

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Company Tracking Number: AR-BOP-2008-06

TOI: 05.0 Commercial Multi-Peril - Liability & Non- Sub-TOI: 05.0002 Businessowners Liability

Product Name: Businessowners Program

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Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Form	Businessowners Extension Endorsement	Approved	Yes
Form	Expanded Businessowners Extension Endorsement	Approved	Yes
Form	Laundry/Dry Cleaner Industry Extension	Approved	Yes



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## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Businessowners Extension Endorsement	BP7100	9-08	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP7100 8-08 Previous Filing #:		BP7100_200809.pdf BP7100_200808 marked up.pdf
Approved	Expanded Businessowners Extension Endorsement	BP7200	9-08	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP7200 8-08 Previous Filing #:		BP7200_200809.pdf BP7200_200808 marked up.pdf
Approved	Laundry/Dry Cleaner Industry Extension	BP7141	9-08	Endorsement/Amendment/Conditions	Replaced Form #:0.00 BP7141 8-08 Previous Filing #:		BP7141_200809.pdf BP7141_200808 marked up.pdf

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BUSINESSOWNERS EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **SECTION I – PROPERTY**

With respect to coverage provided by **Section I – Property** of this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by **Section I – Property** of this endorsement. The coverage provided by **Section I – Property** of this endorsement applies separately to each location for which this endorsement is shown in the Declarations.

1. **A. Coverage, 5. Additional Coverages, c. Fire Department Service Charge, i. Civil Authority, k. Forgery or Alteration, and m. Business Income from Dependent Properties, paragraph (5)(a)** are replaced by the following:

#### **c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

#### **i. Civil Authority**

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

This coverage will apply for a period of up to three consecutive weeks from the date of that action.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

#### **k. Forgery or Alteration**

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in “money”, that you or your agent has issued, or that was issued by someone who impersonates you or your agent.

- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in “money”, on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.

- (3) The most we will pay for this Additional Coverage, including legal expenses, in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insured or claims made is \$10,000, unless a higher Limit of Insurance is shown in the Declarations.

#### **m. Business Income from Dependent Properties**

- (5) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; or

2. **A. Coverage, 5. Additional Coverages, f. Business Income** is amended by the addition of the following:

#### **f. Business Income**

#### **(5) Newly Acquired Locations**

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than at fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (1) This policy expires;
  - (2) 30 days expire after you acquire or begin to construct the property; or
  - (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

**3. A. Coverage, 5. Additional Coverages** is amended by adding the following coverage:

**s. Lock Replacement and Rekeying**

We will pay the necessary expenses you incur to replace or rekey locks made necessary due to theft or unauthorized copying of keys or any other legitimate security concern.

This insurance does not apply to loss caused by:

- (1) Vandalism; or
- (2) Wear and Tear.

The most we will pay under this additional coverage during each policy period is \$1,000.

Lock replacement and rekeying is not subject to a deductible.

**t. Spoilage Coverage**

- (1) This policy is extended to cover "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

"Perishable stock" is defined as personal property that is:

- (a) Maintained under controlled conditions for its preservation; and
- (b) Susceptible to loss or damage if the controlled conditions change.

- (2) For the purpose of this extension only, the Covered Cause of Loss is defined as:

- (a) Breakdown or Contamination, meaning:

- (i) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, but only while such equipment or apparatus is at the described premises; or

- (ii) Contamination by the refrigerant.

- (b) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

- (3) For the purpose of this Additional Coverage only, the following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.

- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:

- (i) lack of fuel; or
- (ii) governmental order.
- (iii) lack of generating capacity to meet demand.

- (d) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

**(4) Conditions**

The following condition applies in addition to the **Property Loss Conditions** (as modified in (a) above) and **Property General Conditions in Section I – Property and Section III – Common Policy Conditions**:

Additional Condition – Refrigeration Maintenance Agreements

You must maintain a refrigeration maintenance or service agreement as described below. If you do not maintain this required agreement, the insurance provided by this endorsement will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

- (5) The most we will pay under this Additional Coverage is \$5,000 per any one occurrence. This limit does not apply in addition to any limit shown for this coverage in the Declarations.
- (6) This Additional Coverage, Spoilage will not increase the Limit Of Insurance provided in this policy.
- (7) If Petroleum Marketers Industry Extension, form BP7148 applies, this Additional Coverage does not apply.

**u. Arson And Theft Rewards**

We will reimburse you for rewards paid by you to any person or persons, other than you, your officers, managers, your employees or your active members, for information leading to an arson or theft conviction in connection with a covered loss to covered property resulting from fire or theft.

The most we will pay under this Additional Coverage is \$5,000 per loss. This is the most we will pay regardless of the number of persons who provided information.

**v. Water Back-Up And Sump Overflow**

(1) We will pay for direct physical loss or damage to Covered Property, covered under **Section I – Property**, caused by or resulting from:

- (a) Water which backs up through or overflows from a sewer or drain; or
- (b) Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph (b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of a mechanical breakdown.

(2) The coverage described in Paragraph (1) of this Additional Coverage does not apply to loss or damage resulting from an insured's failure to:

- (a) Keep a sump pump or its related equipment in proper working condition; or
- (b) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

(3) With respect to the coverage provided under this Additional Coverage, Exclusion **B.1.g. Water** in **Section I – Property** is replaced by the following exclusion:

**g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1. or 3., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (4), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraph **g.(1)** through **g.(4)**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

(5) The most we will pay for this Additional Coverage in any annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$5,000 for Water Back-Up And Sump Overflow.

**w. Employee Dishonesty**

(1) We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:

- (a) Cause you to sustain loss or damage; and also
- (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
  - (i) Any employee; or
  - (ii) Any other person or organization.

(2) We will not pay for loss or damage:

- (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
- (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1), "managers" or directors:
  - (i) Whether acting alone or in collusion with other persons; or
  - (ii) While performing services for you or otherwise.
- (c) The only proof of which as to its existence or amount is:
  - (i) An inventory computation; or
  - (ii) A profit and loss computation.

(3) The most we will pay for this Additional Coverage in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$10,000 for Employee Dishonesty Coverage. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

(4) All loss or damage:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of acts; is considered one occurrence.

(5) If any loss is covered:

- (a) Partly by this insurance; and
- (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

(6) This coverage is cancelled as to any employee immediately upon discovery by:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

(7) We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

(8) If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this coverage, provided:

- (a) This coverage became effective at the time of cancellation or termination of the prior insurance; and
- (b) The loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

(9) The insurance under Paragraph (8) above is part of, not in addition to, the Limit of Insurance applying to this coverage and is limited to the lesser of the amount recoverable under:

- (a) This coverage as of its effective date; or
- (b) The prior insurance had it remained in effect.

#### **x. Utility Services – Direct Damage**

##### **(1) Coverage**

We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (3) below and located off the described premises.

##### **(2) Exception**

Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data.

##### **(3) Utility Supply Services**

(a) **Water Supply Services**, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and
- (ii) Water mains.

(b) **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays except satellites.

Communication Supply Services does not include overhead transmission lines.

(c) **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines.

Power Supply Services does not include overhead transmission lines.

- (4) The most we will pay for loss or damage under this Additional Coverage is \$2,500 in any one occurrence. This Additional Coverage, Utility Services – Direct Damage, will not increase the Limits Of Insurance provided by this policy. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**4. A. Coverage, 6. Coverage Extensions, a. Newly Acquired or Constructed Property, paragraphs (1) and (2), b. Personal Property Off Premises, c. Outdoor Property, and d. Personal Effects** are replaced by the following:

**a. Newly Acquired or Constructed Property**

**(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

**(2) Business Personal Property**

- (a) If this policy covers Business Personal Property, you may extend that insurance to apply to:
  - (i) Business Personal Property, including such property that you newly acquire, at any location you acquire.
  - (ii) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
  - (iii) Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each premises.

**b. Personal Property Off Premises**

You may extend the insurance that applies to Business Personal Property to apply to covered Business Personal Property, other than “money” and “securities”, “valuable papers and records” or accounts receivable, while it is in the course of transit or temporarily at a premises not described in the Declarations. The most we will pay for loss or damage under this Extension is \$10,000.

**c. Outdoor Property**

You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft or Vehicles;
- (6) Windstorm or Hail;
- (7) Smoke; or
- (8) Vandalism.

The most we will pay for loss or damage under this Extension is \$10,000, but not more than \$500 for any one tree, shrub or plant. This limit does not apply in addition to any limit shown for Outdoor Signs coverage in the Declarations.

**d. Personal Effects**

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or “members”, your “managers” or your employees. This extension does not apply to:

- (1) Tools or equipment used in your business; or
- (2) Loss or damage by theft.

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises.

**5. A. Coverage, 6. Coverage Extensions** is amended by adding the following coverage:

**g. Money and Securities**

- (1) We will pay for loss of “money” and “securities” used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, or while in the custody of a person you have authorized to have custody of the “money” or “securities”, at the described premises or in transit between any of these places resulting directly from:

(a) Theft, meaning any act of stealing;

(b) Disappearance; or

(c) Destruction.

(2) In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:

(a) Resulting from accounting or arithmetic errors or omissions;

(b) Due to the giving or surrendering of property in any exchange or purchase; or

(c) Of property contained in any “money” operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

(3) All loss:

(a) Caused by one or more persons; or

(b) Involving a single act or series of related acts;

is considered one occurrence.

(4) You must keep records of all “money” and “securities” so we can verify the amount of any loss or damage.

(5) In the event of loss or damage we will determine the value as follows:

(a) “Money” at its face value; and

(b) “Securities” at their value at the close of business on the day the loss is discovered.

(6) The most we will pay under this Extension for loss in any one occurrence is \$10,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**h. Premises Damage Resulting From Burglary or Robbery**

We will pay for loss or damage to the building at the described premises caused by or resulting from actual or attempted burglary or robbery if you are legally obligated to pay such loss or damage. The most we will pay under this Extension is \$5,000 at each described premises.

**i. Claims Data Expense**

We will pay up to \$2,500 for reasonable costs you incur in preparing loss data required by policy conditions after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.

We will not pay for expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

**j. Fine Arts**

We will pay for loss or damage, including breakage, to your fine arts or fine arts of others in your care, custody or control. For the purpose of this Extension fine arts means antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains; rare books; antique silver; rare glass; manuscripts and other bona fide works of art of rarity, historical value or artistic merit.

We will determine the value of the fine arts at market value at the time of loss or damage.

In case of loss or damage to a pair or set, we will pay you the full value of the pair or set and you agree to surrender the remaining articles of the set to us.

Our payment for loss or damage to fine arts of others will only be for the account of the owner of the property. If other insurance exists for loss or damage covered under this Extension, whether it can be collected or not, this Extension will not apply to that part of the loss.

The most we will pay under this Extension is \$2,500.

**6. C. Limits of Insurance, 2.** \$1,000 limitation to outdoor signs attached to buildings, is deleted.

**7. The following is added to Section D. Deductibles:**

**4.** With respect to the coverages provided by this endorsement, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less. We will then pay the amount of loss or damage in excess of \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less, up to the applicable Limit of Insurance.

**8.** Paragraph **a.** of the “Period of Restoration” definition is replaced by the following:

**a.** Begins immediately after the time of direct physical loss or damage caused by or resulting from any covered cause of loss at the described premises; and

**9.** Throughout the forms modified by this endorsement the words “within 100 feet” are replaced with “within 1,000 feet.”

**10. Brands and Labels**

**a.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

**1.** Stamp “salvage” on the merchandise or its containers, if the stamp will not physically damage the merchandise; or

**2.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

**b.** We will pay reasonable costs you incur to perform the activity described in **a.1.** or **a.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

## SECTION II – LIABILITY

**Section II – Liability** is amended to include the following clarifications and extensions of coverage. The provisions of the coverage form apply unless modified by the endorsement.

1. The insurance provided under Paragraphs **A.1.f.(1)(b)** and **A.1.f.(1)(d)** of **Coverage Extension – Supplementary Payments** are replaced by the following:

- (b) Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit,” including actual loss of earnings up to \$350 a day because of time off from work.

2. Paragraph **A.2.a.(3)(b). Coverages Medical Payments** is replaced by the following:

- (b) The expenses are incurred and reported to us within three years of the date of the accident; and

3. With respect to **B.1. Exclusions Applicable To Business Liability Coverage**, Paragraphs **k.(3), k.(4), k.(6)** and **l.** do not apply to the use of elevators.

The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured, and the Other Insurance Condition is changed accordingly.

4. The following is added to Paragraph **C.1. Who Is An Insured:**

- e. Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, an insured does not include any subsidiary that is an insured under any other general liability policy, or would have been an insured under such policy but for termination of that policy or the exhaustion of that policy’s limits of liability.

5. The following is added to Paragraph **C. Who Is An Insured:**

3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier;

- b. Paragraph **A.1. Business Liability** does not apply to:

- (1) “Bodily injury” or “property damage” that occurred before you acquired or formed the organization; and

- (2) “Personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

This provision does not apply to newly formed or acquired organizations coverage is excluded either by the provisions of the Coverage Part or by endorsements.

6. The following is added to Paragraph **E.2. Liability and Medical Expenses General Conditions Duties In The Event of Occurrence, Offense, Claim or Suit:**

- e. The requirement in Paragraph **E.2.a.** that you must see to it that we are notified as soon as practicable of an “occurrence” or an offense which may result in a claim, applies only when the “occurrence” or offense is known to:

- (1) You, if you are an individual or a limited liability company;

- (2) A partner, if you are a partnership;

- (3) A manager, if you are a limited liability company;

- (4) An executive officer or an insurance manager, if you are a corporation; or

- f. The requirement in Paragraph **E.2.b.** that you must see to it that we receive notice of a claim or “suit” as soon as practicable will not be considered breached unless the breach occurs after such claim or “suit” is known to:

- (1) You, if you are an individual or a limited liability company;

- (2) A partner, if you are a partnership;

- (3) A manager, if you are a limited liability company;

- (4) An executive officer or an insurance manager, if you are a corporation; or

7. Paragraph **F.3. Liability and Medical Expenses Definitions** is replaced by the following:

3. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **BUSINESSOWNERS EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **SECTION I – PROPERTY**

With respect to coverage provided by **Section I – Property** of this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by **Section I – Property** of this endorsement. The coverage provided by **Section I – Property** of this endorsement applies separately to each location for which this endorsement is shown in the Declarations.

1. **A. Coverage, 5. Additional Coverages, c. Fire Department Service Charge, i. Civil Authority, k. Forgery or Alteration, and m. Business Income from Dependent Properties, paragraph (5)(a)** are replaced by the following:

#### **c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

#### **i. Civil Authority**

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

This coverage will apply for a period of up to three consecutive weeks from the date of that action.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of **Section I – Property**.

#### **k. Forgery or Alteration**

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent.

- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.

- (3) The most we will pay for this Additional Coverage, including legal expenses, in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insured or claims made is \$10,000, unless a higher Limit of Insurance is shown in the Declarations.

#### **m. Business Income from Dependent Properties**

- (5) The coverage period for Business Income under this Additional Coverage:
  - (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; or

2. **A. Coverage, 5. Additional Coverages, f. Business Income** is amended by the addition of the following:

#### **f. Business Income**

#### **(5) Newly Acquired Locations**

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than at fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (1) This policy expires;
  - (2) 30 days expire after you acquire or begin to construct the property; or
  - (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

**3. A. Coverage, 5. Additional Coverages** is amended by adding the following coverage:

**s. Lock Replacement and Rekeying**

We will pay the necessary expenses you incur to replace or rekey locks made necessary due to theft or unauthorized copying of keys or any other legitimate security concern.

This insurance does not apply to loss caused by:

- (1) Vandalism; or
- (2) Wear and Tear.

The most we will pay under this additional coverage during each policy period is \$1,000.

Lock replacement and rekeying is not subject to a deductible.

**t. Spoilage Coverage**

- (1) This policy is extended to cover "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

"Perishable stock" is defined as personal property that is:

- (a) Maintained under controlled conditions for its preservation; and
- (b) Susceptible to loss or damage if the controlled conditions change.

- (2) For the purpose of this extension only, the Covered Cause of Loss is defined as:

- (a) Breakdown or Contamination, meaning:

- (i) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, but only while such equipment or apparatus is at the described premises; or

- (ii) Contamination by the refrigerant.

- (b) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

- (3) For the purpose of this Additional Coverage only, the following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.

- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:

- (i) lack of fuel; or
- (ii) governmental order.
- (iii) lack of generating capacity to meet demand.

- (d) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

**(4) Conditions**

The following condition applies in addition to the **Property Loss Conditions** (as modified in (a) above) and **Property General Conditions in Section I – Property and Section III – Common Policy Conditions**:

Additional Condition – Refrigeration Maintenance Agreements

You must maintain a refrigeration maintenance or service agreement as described below. If you do not maintain this required agreement, the insurance provided by this endorsement will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

- (5) The most we will pay under this Additional Coverage is \$5,000 per any one occurrence. This limit does not apply in addition to any limit shown for this coverage in the Declarations.
- (6) This Additional Coverage, Spoilage will not increase the Limit Of Insurance provided in this policy.
- (7) If Petroleum Marketers Industry Extension, form BP7148 applies, this Additional Coverage does not apply.

**u. Arson And Theft Rewards**

We will reimburse you for rewards paid by you to any person or persons, other than you, your officers, managers, your employees or your active members, for information leading to an arson or theft conviction in connection with a covered loss to covered property resulting from fire or theft.

The most we will pay under this Additional Coverage is \$5,000 per loss. This is the most we will pay regardless of the number of persons who provided information.

**v. Water Back-Up And Sump Overflow**

- (1) We will pay for direct physical loss or damage to Covered Property, covered under **Section I – Property**, caused by or resulting from:
  - (a) Water which backs up through or overflows from a sewer or drain; or
  - (b) Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.
- However, with respect to Paragraph (b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of a mechanical breakdown.
- (2) The coverage described in Paragraph (1) of this Additional Coverage does not apply to loss or damage resulting from an insured's failure to:
  - (a) Keep a sump pump or its related equipment in proper working condition; or
  - (b) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.
- (3) With respect to the coverage provided under this Additional Coverage, Exclusion **B.1.g. Water** in **Section I – Property** is replaced by the following exclusion:

**g. Water**

- (1) Flood, surface water, waves, (including tidal wave and tsunami), tides, tidal waves, water, overflow of any body of water, or their spray, from any of these all whether or not driven by wind or not; (including storm surge);
- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings or

- (4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1. or 3., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs 1. Through 4., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall,

or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if Water, as described in any of the above g.(1) through g.(3 4), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (4 5) The most we will pay for this Additional Coverage in any annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$5,000 for Water Back-Up And Sump Overflow.

**w. Employee Dishonesty**

- (1) We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
  - (a) Cause you to sustain loss or damage; and also
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (i) Any employee; or
    - (ii) Any other person or organization.
- (2) We will not pay for loss or damage:
  - (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
  - (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1)), "managers" or directors:
    - (i) Whether acting alone or in collusion with other persons; or
    - (ii) While performing services for you or otherwise.
  - (c) The only proof of which as to its existence or amount is:
    - (i) An inventory computation; or
    - (ii) A profit and loss computation.
- (3) The most we will pay for this Additional Coverage in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$10,000 for Employee Dishonesty Coverage. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

- (4) All loss or damage:
- (a) Caused by one or more persons; or
  - (b) Involving a single act or series of acts; is considered one occurrence.

- (5) If any loss is covered:

- (a) Partly by this insurance; and
- (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- (6) This coverage is cancelled as to any employee immediately upon discovery by:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

- (7) We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

- (8) If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this coverage, provided:

- (a) This coverage became effective at the time of cancellation or termination of the prior insurance; and
- (b) The loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

- (9) The insurance under Paragraph (8) above is part of, not in addition to, the Limit of Insurance applying to this coverage and is limited to the lesser of the amount recoverable under:

- (a) This coverage as of its effective date; or
- (b) The prior insurance had it remained in effect.

**x. Utility Services – Direct Damage**

**(1) Coverage**

We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (3) below and located off the described premises.

**(2) Exception**

Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data.

**(3) Utility Supply Services**

**(a) Water Supply Services**, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and
- (ii) Water mains.

**(b) Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays except satellites.

Communication Supply Services does not include overhead transmission lines.

**(c) Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines.

Power Supply Services does not include overhead transmission lines.

- (4) The most we will pay for loss or damage under this Additional Coverage is \$2,500 in any one occurrence. This Additional Coverage, Utility Services – Direct Damage, will not increase the Limits Of Insurance provided by this policy. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**4. A. Coverage, 6. Coverage Extensions, a. Newly Acquired or Constructed Property, paragraphs (1) and (2), b. Personal Property Off Premises,**



**c. Outdoor Property**, and **d. Personal Effects** are replaced by the following:

**a. Newly Acquired or Constructed Property**

**(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

**(2) Business Personal Property**

- (a) If this policy covers Business Personal Property, you may extend that insurance to apply to:
  - (i) Business Personal Property, including such property that you newly acquire, at any location you acquire.
  - (ii) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
  - (iii) Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each premises.

**b. Personal Property Off Premises**

You may extend the insurance that applies to Business Personal Property to apply to covered Business Personal Property, other than "money" and "securities", "valuable papers and records" or accounts receivable, while it is in the course of transit or temporarily at a premises not described in the Declarations. The most we will pay for loss or damage under this Extension is \$10,000.

**c. Outdoor Property**

You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes),

signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft or Vehicles;
- (6) Windstorm or Hail;
- (7) Smoke; or
- (8) Vandalism.

The most we will pay for loss or damage under this Extension is \$10,000, but not more than \$500 for any one tree, shrub or plant. This limit does not apply in addition to any limit shown for Outdoor Signs coverage in the Declarations.

**d. Personal Effects**

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or "members", your "managers" or your employees. This extension does not apply to:

- (1) Tools or equipment used in your business; or
- (2) Loss or damage by theft.

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you

The most we will pay for loss or damage under this Extension is \$5,000 at each described premises.

**5. A. Coverage, 6. Coverage Extensions** is amended by adding the following coverage:

**g. Money and Securities**

- (1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, or while in the custody of a person you have authorized to have custody of the "money" or "securities", at the described premises or in transit between any of these places resulting directly from:
  - (a) Theft, meaning any act of stealing;
  - (b) Disappearance; or
  - (c) Destruction.

(2) In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:

- (a) Resulting from accounting or arithmetic errors or omissions;
- (b) Due to the giving or surrendering of property in any exchange or purchase; or
- (c) Of property contained in any “money” operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

(3) All loss:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts;

is considered one occurrence.

(4) You must keep records of all “money” and “securities” so we can verify the amount of any loss or damage.

(5) In the event of loss or damage we will determine the value as follows:

- (a) “Money” at its face value; and
- (b) “Securities” at their value at the close of business on the day the loss is discovered.

(6) The most we will pay under this Extension for loss in any one occurrence is \$10,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

#### **h. Premises Damage Resulting From Burglary or Robbery**

We will pay for loss or damage to the building at the described premises caused by or resulting from actual or attempted burglary or robbery if you are legally obligated to pay such loss or damage. The most we will pay under this Extension is \$5,000 at each described premises.

#### **i. Claims Data Expense**

We will pay up to \$2,500 for reasonable costs you incur in preparing loss data required by policy conditions after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.

We will not pay for expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

#### **j. Fine Arts**

We will pay for loss or damage, including breakage, to your fine arts or fine arts of others in your care, custody or control. For the purpose of this Extension fine arts means antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains; rare books; antique silver; rare glass; manuscripts and other bona fide works of art of rarity, historical value or artistic merit.

We will determine the value of the fine arts at market value at the time of loss or damage.

In case of loss or damage to a pair or set, we will pay you the full value of the pair or set and you agree to surrender the remaining articles of the set to us.

Our payment for loss or damage to fine arts of others will only be for the account of the owner of the property. If other insurance exists for loss or damage covered under this Extension, whether it can be collected or not, this Extension will not apply to that part of the loss.

The most we will pay under this Extension is \$2,500.

6. **C. Limits of Insurance, 2.** \$1,000 limitation to outdoor signs attached to buildings, is deleted.

7. The following is added to **Section D. Deductibles**:

- 4. With respect to the coverages provided by this endorsement, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less. We will then pay the amount of loss or damage in excess of \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less, up to the applicable Limit of Insurance.

8. Paragraph **a.** of the “Period of Restoration” definition is replaced by the following:

- a. Begins immediately after the time of direct physical loss or damage caused by or resulting from any covered cause of loss at the described premises; and

9. Throughout the forms modified by this endorsement the words “within 100 feet” are replaced with “within 1,000 feet.”

#### **10. Brands and Labels**

- a. If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

- 1. Stamp “salvage” on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- 2. Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

- b. We will pay reasonable costs you incur to perform the activity described in **a.1.** or **a.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

## **SECTION II – LIABILITY**

**Section II – Liability** is amended to include the following clarifications and extensions of coverage. The provisions of the coverage form apply unless modified by the endorsement.

1. The insurance provided under Paragraphs **A.1.f.(1)(b)** and **A.1.f.(1)(d)** of **Coverage Extension – Supplementary Payments** are replaced by the following:

(b) Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

(d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or “suit,” including actual loss of earnings up to \$350 a day because of time off from work.

2. Paragraph **A.2.a.(3)(b). Coverages Medical Payments** is replaced by the following:

(b) The expenses are incurred and reported to us within three years of the date of the accident; and

3. With respect to **B.1. Exclusions Applicable To Business Liability Coverage**, Paragraphs **k.(3), k.(4), k.(6)** and **l.** do not apply to the use of elevators.

The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured, and the Other Insurance Condition is changed accordingly.

4. The following is added to Paragraph **C.1. Who Is An Insured:**

e. Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, an insured does not include any subsidiary that is an insured under any other general liability policy, or would have been an insured under such policy but for termination of that policy or the exhaustion of that policy’s limits of liability.

5. The following is added to Paragraph **C. Who Is An Insured:**

3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Paragraph **A.1. Business Liability** does not apply to:

(1) “Bodily injury” or “property damage” that occurred before you acquired or formed the organization; and

(2) “Personal and advertising injury” arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

This provision does not apply to newly formed or acquired organizations coverage is excluded either by the provisions of the Coverage Part or by endorsements.

6. The following is added to Paragraph **E.2. Liability and Medical Expenses General Conditions Duties In The Event of Occurrence, Offense, Claim or Suit:**

e. The requirement in Paragraph **E.2.a.** that you must see to it that we are notified as soon as practicable of an “occurrence” or an offense which may result in a claim, applies only when the “occurrence” or offense is known to:

(1) You, if you are an individual or a limited liability company;

(2) A partner, if you are a partnership;

(3) A manager, if you are a limited liability company;

(4) An executive officer or an insurance manager, if you are a corporation; or

f. The requirement in Paragraph **E.2.b.** that you must see to it that we receive notice of a claim or “suit” as soon as practicable will not be considered breached unless the breach occurs after such claim or “suit” is known to:

(1) You, if you are an individual or a limited liability company;

(2) A partner, if you are a partnership;

(3) A manager, if you are a limited liability company;

(4) An executive officer or an insurance manager, if you are a corporation; or

7. Paragraph **F.3. Liability and Medical Expenses Definitions** is replaced by the following:

3. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXPANDED BUSINESSOWNERS EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORMS**

**SECTION I – PROPERTY**

With respect to coverage provided by **Section I – Property** of this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by **Section I – Property** of this endorsement. The coverage provided by **Section I – Property** of this endorsement applies separately to each location for which this endorsement is shown in the Declarations.

1. **A. Coverage, 4. Limitations, c.** is replaced by the following:

c. For loss or damage by theft, the following types of property are covered only up to the limits shown:

- (1) \$5,000 for furs, fur garments and garments trimmed with fur.
- (2) \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- (3) \$5,000 for patterns, dies, molds and forms.

2. **A. Coverage, 5. Additional Coverages, a. Debris Removal, paragraph (4), c. Fire Department Service Charge, h. Pollutant Clean Up and Removal, i. Civil Authority, k. Forgery or Alteration, l. Increased Cost of Construction and m. Business Income from Dependent Properties, paragraph (1) and (5)(a)** are replaced by the following:

**a. Debris Removal**

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
  - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
  - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if Paragraphs **(4)(a)** and or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance of the Covered Property that has sustained loss or damage, plus \$25,000.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

**h. Pollutant Clean Up and Removal**

We will pay your expense to extract “pollutants” from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- (1) The date of direct physical loss or damage; or
- (2) The end of the policy period.

The most we will pay for each location under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

**i. Civil Authority**

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

This coverage will apply for a period of up to three consecutive weeks from the date of that action.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of Section I – Property.



## **k. Forgery or Alteration**

- (1)** We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
- (2)** If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3)** The most we will pay for this Additional Coverage, including legal expenses, in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insured or claims made is \$25,000, unless a higher Limit of Insurance is shown in the Declarations.

## **l. Ordinance or Law Coverage**

### **(1) Application of Coverage(s)**

The coverage(s) provided by this Additional Coverage apply only if both **(1)(a)** and **(1)(b)** are satisfied and are then subject to the qualifications set forth in **(1)(c)**.

#### **(a) The ordinance or law:**

- (i)** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (ii)** Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

- (b) (i)** The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (ii)** The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

**(iii)** But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

- (c)** In the situation described in **(1)(b)(ii)** above, we will not pay the full amount of loss otherwise payable under the terms of **(3) Coverage** of this Additional Coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of **(3) Coverage** of this Additional Coverage.

- (2)** We will not pay under this Additional Coverage for:

- (a)** Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
- (b)** The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

### **(3) Coverage**

#### **(a) Loss to the Undamaged Portion of the Building**

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **(a)** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building. This coverage is included within the Limit of Insurance applicable to the covered building property shown in the Declarations. This is not additional insurance.

**(b) Demolition Cost and Increased Cost of Construction Coverage**

With respect to the building that has sustained covered direct physical damage, we will pay:

- (i)** The cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (ii)** If replacement cost coverage applies, the increased cost to repair or reconstruct damaged portions of that building; and/or reconstruct or remodel undamaged portions of that building, whether or not demolition is required; when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law. However,
  - This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
  - We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.6.d. Loss Payment** Property Loss Conditions does not apply to the Demolition Cost and Increased Cost of Construction Coverage.

**(4) Loss Payments**

- (a)** All following loss payment provisions **(4)(b)** and **(4)(c)** are subject to the apportionment procedure set forth in Section **(1)(c)** of this Additional Coverage.
- (b)** When there is a loss in value of the undamaged portion of the building to which Coverage **(3)(a)** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
  - (i)** If Replacement Cost Coverage applies and the property is repaired or replaced, on the same or another premises, we will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

- The amount you actually spend to repair, rebuild or reconstruct the building, but not more than the amount it would cost to restore the building on the same premises to the same height, floor area, style and comparable quality of the original property insured; or
- The Limit of Insurance shown in the Declarations as applicable to the covered building.

- (ii)** If Replacement Cost Coverage applies and the property is not repaired or replaced; or if Replacement Cost Coverage does not apply; we will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

- The actual cash value of the building at the time of loss; or
- The Limit of Insurance applicable to the covered Building property.

- (c)** The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction is \$25,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations. Subject to this combined limit of insurance the following loss payment provisions apply:

- (i)** For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

- (ii)** With respect to the Increased Cost of Construction:

- We will not pay for the increased cost of construction:
  - Until the property is actually repaired or replaced, at the same or another premises; and
  - Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increases cost of construction at the same premises.
- If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

(5) Under this Additional Coverage, we will not pay for loss due to any ordinance or law that:

- (a) You were required to comply with before the loss, even if the building was undamaged; and
- (b) You failed to comply with.

(6) The following definition is added to Paragraph H. Property Definitions:

- (a) "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

(7) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

**m. Business Income From Dependent Properties**

(1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 at each described premises due to damage from a Covered Cause of Loss at any one dependent property.

(5) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

**3. A. Coverage, 5. Additional Coverages, f. Business Income** is amended by the addition of the following:

**f. Business Income**

**(5) Newly Acquired Locations**

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than at fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (1) This policy expires;
- (2) 30 days expire after you acquire or begin to construct the property; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

**4. A. Coverage, 5. Additional Coverages** is amended by adding the following coverage:

**s. Lock Replacement And Rekeying**

We will pay the necessary expenses you incur to replace or rekey locks made necessary due to theft or unauthorized copying of keys or any other legitimate security concern.

This insurance does not apply to loss caused by:

- (1) Vandalism; or
- (2) Wear and Tear.

The most we will pay under this Additional Coverage during each policy period is \$1,000.

Lock replacement and rekeying is not subject to a deductible.

**t. Spoilage Coverage**

(1) This policy is extended to cover perishable stock at the described premises owned by you or by others that is in your care, custody or control.

Perishable stock is defined as personal property that is:

- (a) Maintained under controlled conditions for its preservation; and
- (b) Susceptible to loss or damage if the controlled conditions change.

(2) For the purpose of this extension only, the Covered Cause of Loss is defined as:

(a) Breakdown or Contamination, meaning:

- (i) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, but only while such equipment or apparatus is at the described premises; or

(ii) Contamination by the refrigerant.

(b) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

- (3) For the purpose of this Additional Coverage only, the following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling, humidity control system from the source of power.
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (i) lack of fuel; or
  - (ii) governmental order.
  - (iii) lack of generating capacity to meet demand.
- (d) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

**(4) Conditions**

The following condition applies in addition to the Property Loss Conditions (as modified in (a) above) and **Property General Conditions in Section I – Property and Section III – Common Policy Conditions**

**Additional Condition – Refrigeration Maintenance Agreements**

You must maintain a refrigeration maintenance or service agreement as described below. If you do not maintain this required agreement, the insurance provided by this endorsement will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location.

- (5) The most we will pay under this Additional Coverage is \$10,000 per any one occurrence. This limit does not apply in addition to any limit shown for this coverage in the Declarations.
- (6) This Additional Coverage, Spoilage, will not increase the Limits of Insurance provided in this policy.
- (7) If Petroleum Marketers Industry Extension, form BP7148 applies, this Additional Coverage does not apply.

**u. Arson And Theft Rewards**

We will reimburse you for rewards paid by you to any person or persons, other than you, your officers, managers, your employees or your active members, for information leading to an arson or theft conviction in connection with a covered loss to covered property resulting from fire or theft.

The most we will pay under this Additional Coverage is \$5,000 per loss. This is the most we will pay regardless of the number of persons who provided the information.

**v. Water Back-Up And Sump Overflow**

- (1) We will pay for direct physical loss or damage to Covered Property, covered under **Section I – Property**, caused by or resulting from:

- (a) Water which backs up through or overflows from a sewer or drain; or
- (b) Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph (b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of a mechanical breakdown.

- (2) The coverage described in Paragraph (1) of this Additional Coverage does not apply to loss or damage resulting from an insured's failure to:

- (a) Keep a sump pump or its related equipment in proper working condition; or
- (b) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- (3) With respect to the coverage provided under this Additional Coverage, Exclusion **B.1.g. Water** in **Section I – Property** is replaced by the following exclusion:

**g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings; or

- (4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1. or 3., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (4), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraph g.(1) through g.(4), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (5) The most we will pay for this Additional Coverage in any one annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$10,000 for Water Backup and Sump Overflow.

#### w. Employee Dishonesty

- (1) We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:

- (a) Cause you to sustain loss or damage; and also
- (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
  - (i) Any employee; or
  - (ii) Any other person or organization.

- (2) We will not pay for loss or damage:

- (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
- (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1)), "managers" or directors:
  - (i) Whether acting alone or in collusion with other persons; or
  - (ii) While performing services for you or otherwise.
- (c) The only proof of which as to its existence or amount is:

- (i) An inventory computation; or
- (ii) A profit and loss computation.

- (3) The most we will pay for this Additional Coverage in any annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$25,000 for Employee Dishonesty Coverage. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

- (4) All loss or damage:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of acts; is considered one occurrence.

- (5) If any loss is covered:

- (a) Partly by this insurance; and
- (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- (6) This coverage is cancelled as to any employee immediately upon discovery by:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

- (7) We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

- (8) If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this coverage, provided:

- (a) This coverage became effective at the time of cancellation or termination of the prior insurance; and
- (b) The loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

- (9) The insurance under Paragraph (8) above is part of, not in addition to, the Limit of Insurance applying to this coverage and is limited to the lesser of the amount recoverable under:

- (a) This coverage as of its effective date; or
- (b) The prior insurance had it remained in effect.

**x. Utility Services – Direct Damage**

**(1) Coverage**

We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility services must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (3) below and located off the described premises

**(2) Exception**

Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data.

**(3) Utility Supply Services**

- (a) Water Supply Services, meaning the following types of property supplying water to the described premises:

- (i) Pumping stations; and
- (ii) Water Mains.

- (b) **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- (i) Communication transmission lines, including optic fiber transmission lines;
- (ii) Coaxial cables; and
- (iii) Microwave radio relays except satellites.

Communication Supply Services does not include overhead transmission lines.

- (c) **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- (i) Utility generating plants;
- (ii) Switching stations;
- (iii) Substations;
- (iv) Transformers; and
- (v) Transmission lines.

Power Supply Services does not include overhead transmission lines.

- (4) The most we will pay for loss or damage under this Additional Coverage is \$10,000 in any one occurrence. This Additional Coverage, Utility Services – Direct Damage, will not increase the Limits of Insurance provided by this policy. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

5. **A. Coverage, 6. Coverage Extensions, a. Newly Acquired or Constructed Property, paragraphs (1) and (2), b. Personal Property Off Premises, c. Outdoor Property, d. Personal Effects, e. Valuable Papers and Records, paragraph (3), and f. Accounts Receivable, paragraph (2)** are replaced by the following:

**a. Newly Acquired Or Constructed Property**

**(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

**(2) Business Personal Property**

- (a) If this policy covers Business Personal Property, you may extend that insurance to apply to:
  - (i) Business Personal Property, including such property that you newly acquire, at any location you acquire.
  - (ii) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
  - (iii) Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each premises.

**b. Personal Property Off Premises**

You may extend the insurance that applies to Business Personal Property to apply to covered Business Personal Property, other than “money” and “securities”, “valuable papers and records” or accounts receivable, while it is in the course of transit or temporarily at a premises not described in the Declarations. The most we will pay for loss or damage under this Extension is \$25,000.

**c. Outdoor Property**

You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft or Vehicles;
- (6) Windstorm or Hail;
- (7) Smoke; or
- (8) Vandalism.

The most we will pay for loss or damage under this Extension is \$10,000, but not more than \$500 for any one tree, shrub or plant. This limit does not apply in addition to any limit shown for Outdoor Signs coverage in the Declarations.

**d. Personal Effects**

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or “members”, your “managers” or your employees. This extension does not apply to:

- (1) Tools or equipment used in your business; or
- (2) Loss or damage by theft.

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you.

The most we will pay for loss or damage under this extension is \$10,000 at each described premises.

**e. Valuable Papers And Records**

- (3) The most we will pay under this Coverage extension for loss or damage to “valuable papers and records” in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for “valuable papers and records” is shown in the Declarations.

For “valuable papers and records” not at the described premises, the most we will pay is \$10,000.

**f. Accounts Receivable**

- (2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for accounts receivable is shown in the Declarations.

For accounts receivable not at the described premises, the most we will pay is \$10,000.

- 6. **A. Coverage, 6. Coverage Extensions** is amended by adding the following coverage:

**g. Money and Securities**

- (1) We will pay for loss of “money” and “securities” used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, or while in the custody of a person you have authorized to have custody of the “money” or “securities” at the described premises or in transit between any of these places resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.

- (2) In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:

- (a) Resulting from accounting or arithmetical errors or omissions;
- (b) Due to the giving or surrendering of property in any exchange or purchase; or
- (c) Of property contained in any “money” operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

- (3) All loss:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts;

is considered one occurrence.

- (4) You must keep records of all “money” and “securities” so we can verify the amount of any loss or damage.

- (5) In the event of loss or damage we will determine the value as follows:

- (a) “Money” at its face value; and
- (b) “Securities” at their value at the close of business on the day the loss is discovered.

- (6) The most we will pay under this Extension for loss in any one occurrence is \$10,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**h. Premises Damage Resulting From Burglary or Robbery**

We will pay for loss or damage to the building at the described premises caused by or resulting from actual or attempted burglary or robbery if you are legally obligated to pay such loss or damage. The most we will pay under this Extension is \$5,000 at each described premises.

**i. Claims Data Expense**

We will pay up to \$5,000 for reasonable costs you incur preparing loss data required by policy conditions after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.

We will not pay for expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

**j. Fine Arts**

We will pay for loss or damage, including breakage, to your fine arts or fine arts of others in your care, custody or control. For the purpose of this Extension fine arts means antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains; rare books; antique silver; rare glass; manuscripts and other bona fide works of art of rarity, historical value or artistic merit.

We will determine the value of the fine arts at market value at the time of loss or damage.

In case of loss or damage to a pair or set, we will pay you the full value of the pair or set and you agree to surrender the remaining articles of the set to us.

Our payment for loss or damage to fine arts of others will only be for the account of the owner of the property. If other insurance exists for loss or damage covered under this Extension, whether it can be collected or not, this Extension will not apply to that part of the loss.

The most we will pay under this Extension is \$10,000.

- 7. C. Limits of Insurance, 2.** \$1,000 limitation to outdoor signs attached to buildings, is deleted.

- 8.** The following is added to **Section D. Deductibles:**

- 4.** With respect to the coverages provided by this endorsement, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less. We will then pay the amount of loss or damage in excess of \$500 or the Property Deductible shown on the Businessowners Declarations, whichever is less, up to the applicable Limit of Insurance.

- 9.** Paragraph **a.** of the "Period of Restoration" definition is replaced by the following:

- a.** Begins immediately after the time of direct physical loss or damage caused by or resulting from any covered cause of loss at the described premises; and

- 10.** Throughout the forms modified by this endorsement the words "within 100 feet" are replaced with "within 1,000 feet."

**11. Brands and Labels**

- a.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

- 1.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- 2.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

- b.** We will pay reasonable costs you incur to perform the activity described in **a.1.** or **a.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

**SECTION II – LIABILITY**

**Section II – Liability** is amended to include the following clarifications and extensions of coverage. The provisions of the coverage form apply unless modified by the endorsement.

- 1.** The insurance provided under Paragraphs **A.1.f.(1)(b)** and **A.1.f.(1)(d)** of **Coverage Extension – Supplementary Payments** are replaced by the following:

- (b)** Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- (d)** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$350 a day because of time off from work.

- 2.** Paragraph **A.2.a.(3)(b) Coverages Medical Payments** is replaced by the following:

- b.** The expenses are incurred and reported to us within three years of the date of the accident; and

- 3.** With respect to **B.1. Exclusions Applicable To Business Liability Coverage**, Paragraphs **k.(3), k.(4), k.(6)** and **l.** do not apply to the use of elevators.



The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured, and the Other Insurance Condition is changed accordingly.

4. The following is added to Paragraph **C.1. Who Is An Insured:**

- e. Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, an insured does not include any subsidiary that is an insured under any other general liability policy, or would have been an insured under such policy but for termination of that policy or the exhaustion of that policy's limits of liability.

5. The following is added to Paragraph **C. Who Is An Insured:**

- 3. Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier;
  - b. Paragraph **A.1. Business Liability** does not apply to:
    - (1) "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
    - (2) "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

This provision does not apply to newly formed or acquired organizations coverage is excluded either by the provisions of the Coverage Part or by endorsements.

6. The following is added to Paragraph **E.2. Liability and Medical Expenses General Conditions Duties In The Event of Occurrence, Offense, Claim or Suit** is being amended by the following provisions:

- e. The requirement in Paragraph **E.2.a.** that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim, applies only when the "occurrence" or offense is known to:
  - (1) You, if you are an individual or a limited liability company;
  - (2) A partner, if you are a partnership;
  - (3) A manager, if you are a limited liability company;
  - (4) An executive officer or an insurance manager, if you are a corporation; or
- f. The requirement in Paragraph **E.2.b.** that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:
  - (1) You, if you are an individual or a limited liability company;
  - (2) A partner, if you are a partnership;
  - (3) A manager, if you are a limited liability company;
  - (4) An executive officer or an insurance manager, if you are a corporation; or

7. Paragraph **F.3. Liability and Medical Expenses Definitions** is replaced by the following:

- 3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at anytime.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXPANDED BUSINESSOWNERS EXTENSION ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESSOWNERS COVERAGE FORMS**

**SECTION I – PROPERTY**

With respect to coverage provided by **Section I – Property** of this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by **Section I – Property** of this endorsement. The coverage provided by **Section I – Property** of this endorsement applies separately to each location for which this endorsement is shown in the Declarations.

1. **A. Coverage, 4. Limitations, c.** is replaced by the following:

c. For loss or damage by theft, the following types of property are covered only up to the limits shown:

- (1) \$5,000 for furs, fur garments and garments trimmed with fur.
- (2) \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- (3) \$5,000 for patterns, dies, molds and forms.

2. **A. Coverage, 5. Additional Coverages, a. Debris Removal, paragraph (4), c. Fire Department Service Charge, h. Pollutant Clean Up and Removal, i. Civil Authority, k. Forgery or Alteration, l. Increased Cost of Construction and m. Business Income from Dependent Properties, paragraph (1) and (5)(a)** are replaced by the following:

**a. Debris Removal**

- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
  - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
  - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if Paragraphs (4)(a) and or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance of the Covered Property that has sustained loss or damage, plus \$25,000.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$5,000 for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

**h. Pollutant Clean Up and Removal**

We will pay your expense to extract “pollutants” from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- (1) The date of direct physical loss or damage; or
- (2) The end of the policy period.

The most we will pay for each location under this Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

**i. Civil Authority**

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss.

This coverage will apply for a period of up to three consecutive weeks from the date of that action.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance of Section I – Property.

## **k. Forgery or Alteration**

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money", that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) The most we will pay for this Additional Coverage, including legal expenses, in any annual policy period regardless of the number of locations scheduled, occurrences, accidents, insured or claims made is \$25,000, unless a higher Limit of Insurance is shown in the Declarations.

## **l. Ordinance or Law Coverage**

### **(1) Application of Coverage(s)**

The coverage(s) provided by this Additional Coverage apply only if both **(1)(a)** and **(1)(b)** are satisfied and are then subject to the qualifications set forth in **(1)(c)**.

#### **(a) The ordinance or law:**

- (i) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
- (ii) Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

- (b) (i) The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
- (ii) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

(iii) But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

- (c) In the situation described in **(1)(b)(ii)** above, we will not pay the full amount of loss otherwise payable under the terms of **(3) Coverage** of this Additional Coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

However, if the covered direct physical damage alone would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of **(3) Coverage** of this Additional Coverage.

- (2) We will not pay under this Additional Coverage for:

- (a) Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
- (b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

### **(3) Coverage**

#### **(a) Loss to the Undamaged Portion of the Building**

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **(a)** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building. This coverage is included within the Limit of Insurance applicable to the covered building property shown in the Declarations. This is not additional insurance.

**(b) Demolition Cost and Increased Cost of Construction Coverage**

With respect to the building that has sustained covered direct physical damage, we will pay:

- (i) The cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.
- (ii) If replacement cost coverage applies, the increased cost to repair or reconstruct damaged portions of that building; and/or reconstruct or remodel undamaged portions of that building, whether or not demolition is required; when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law. However,
  - This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
  - We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

Paragraph **E.6.d. Loss Payment** Property Loss Conditions does not apply to the Demolition Cost and Increased Cost of Construction Coverage.

**(4) Loss Payments**

- (a) All following loss payment provisions **(4)(b)** and **(4)(c)** are subject to the apportionment procedure set forth in Section **(1)(c)** of this Additional Coverage.
- (b) When there is a loss in value of the undamaged portion of the building to which Coverage **(3)(a)** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
  - (i) If Replacement Cost Coverage applies and the property is repaired or replaced, on the same or another premises, we will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

- The amount you actually spend to repair, rebuild or reconstruct the building, but not more than the amount it would cost to restore the building on the same premises to the same height, floor area, style and comparable quality of the original property insured; or
- The Limit of Insurance shown in the Declarations as applicable to the covered building.

- (ii) If Replacement Cost Coverage applies and the property is not repaired or replaced; or if Replacement Cost Coverage does not apply; we will not pay more for loss or damage to Covered Property, including loss caused by enforcement of an ordinance or law, than the lesser of:

- The actual cash value of the building at the time of loss; or
- The Limit of Insurance applicable to the covered Building property.

- (c) The most we will pay for the total of all covered losses for Demolition Cost and Increased Cost of Construction is \$25,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations. Subject to this combined limit of insurance the following loss payment provisions apply:

- (i) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.

- (ii) With respect to the Increased Cost of Construction:

- We will not pay for the increased cost of construction:
  - Until the property is actually repaired or replaced, at the same or another premises; and
  - Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.
- If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

(5) Under this Additional Coverage, we will not pay for loss due to any ordinance or law that:

- (a) You were required to comply with before the loss, even if the building was undamaged; and
- (b) You failed to comply with.

(6) The following definition is added to Paragraph H. Property Definitions:

- (a) "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

(7) This Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.

**m. Business Income From Dependent Properties**

(1) We will pay for the actual loss of Business Income you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from any Covered Cause of Loss.

The most we will pay under this Additional Coverage is \$25,000 at each described premises due to damage from a Covered Cause of Loss at any one dependent property.

(5) The coverage period for Business Income under this Additional Coverage:

- (a) Begins immediately after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

**3. A. Coverage, 5. Additional Coverages, f. Business Income** is amended by the addition of the following:

**f. Business Income**

**(5) Newly Acquired Locations**

- a. You may extend your Business Income Coverage to apply to property at any location you acquire other than at fairs or exhibitions.

b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.

c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:

- (1) This policy expires;
- (2) 30 days expire after you acquire or begin to construct the property; or
- (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

**4. A. Coverage, 5. Additional Coverages** is amended by adding the following coverage:

**s. Lock Replacement And Rekeying**

We will pay the necessary expenses you incur to replace or rekey locks made necessary due to theft or unauthorized copying of keys or any other legitimate security concern.

This insurance does not apply to loss caused by:

- (1) Vandalism; or
- (2) Wear and Tear.

The most we will pay under this Additional Coverage during each policy period is \$1,000.

Lock replacement and rekeying is not subject to a deductible.

**t. Spoilage Coverage**

(1) This policy is extended to cover perishable stock at the described premises owned by you or by others that is in your care, custody or control.

Perishable stock is defined as personal property that is:

- (a) Maintained under controlled conditions for its preservation; and
- (b) Susceptible to loss or damage if the controlled conditions change.

(2) For the purpose of this extension only, the Covered Cause of Loss is defined as:

- (a) Breakdown or Contamination, meaning:
  - (i) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, but only while such equipment or apparatus is at the described premises; or
  - (ii) Contamination by the refrigerant.

(b) Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.



- (3) For the purpose of this Additional Coverage only, the following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- (a) The disconnection of any refrigerating, cooling, humidity control system from the source of power.
- (b) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- (c) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (i) lack of fuel; or
  - (ii) governmental order.
  - (iii) lack of generating capacity to meet demand.
- (d) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

**(4) Conditions**

The following condition applies in addition to the Property Loss Conditions (as modified in (a) above) and **Property General Conditions in Section I – Property and Section III – Common Policy Conditions**

**Additional Condition – Refrigeration Maintenance Agreements**

You must maintain a refrigeration maintenance or service agreement as described below. If you do not maintain this required agreement, the insurance provided by this endorsement will be automatically suspended at the location involved.

A refrigeration maintenance agreement means a written service contract, between you and the refrigeration service organization, which provides for regular periodic inspection of the refrigeration equipment at the insured location, and the servicing and repair of the equipment, including emergency response at the insured location.

- (5) The most we will pay under this Additional Coverage is \$10,000 per any one occurrence. This limit does not apply in addition to any limit shown for this coverage in the Declarations.
- (6) This Additional Coverage, Spoilage, will not increase the Limits of Insurance provided in this policy.
- (7) If Petroleum Marketers Industry Extension, form BP7148 applies, this Additional Coverage does not apply.

**u. Arson And Theft Rewards**

We will reimburse you for rewards paid by you to any person or persons, other than you, your officers, managers, your employees or your active members, for information leading to an arson or theft conviction in connection with a covered loss to covered property resulting from fire or theft.

The most we will pay under this Additional Coverage is \$5,000 per loss. This is the most we will pay regardless of the number of persons who provided the information.

**v. Water Back-Up And Sump Overflow**

- (1) We will pay for direct physical loss or damage to Covered Property, covered under **Section I – Property**, caused by or resulting from:

- (a) Water which backs up through or overflows from a sewer or drain; or
- (b) Water which overflows from a sump, even if the overflow results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph (b) above, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of a mechanical breakdown.

- (2) The coverage described in Paragraph (1) of this Additional Coverage does not apply to loss or damage resulting from an insured's failure to:

- (a) Keep a sump pump or its related equipment in proper working condition; or
- (b) Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- (3) With respect to the coverage provided under this Additional Coverage, Exclusion **B.1.g. Water** in **Section I – Property** is replaced by the following exclusion:

**g. Water**

- (1) Flood, surface water, waves, (including tidal wave and tsunami), tides, tidal waves, water, overflow of any body of water, or their spray from any of these, all whether or not driven by wind (including storm surge) or not;
- (2) Mudslide or mudflow; or
- (3) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings or

(4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1. or 3, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs 1. through 4., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if ~~Water, as described~~ any of the above in ~~g.(1) through g.(3)~~ g.(3) 4, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- (4) The most we will pay for this Additional Coverage in any one annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$10,000 for Water Backup and Sump Overflow.

#### **w. Employee Dishonesty**

- (1) We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
- (a) Cause you to sustain loss or damage; and also
  - (b) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (i) Any employee; or
    - (ii) Any other person or organization.
- (2) We will not pay for loss or damage:
- (a) Resulting from any dishonest or criminal act that you or any of your partners or "members" commit whether acting alone or in collusion with other persons.
  - (b) Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph (1)), "managers" or directors:
    - (i) Whether acting alone or in collusion with other persons; or
    - (ii) While performing services for you or otherwise.

- (c) The only proof of which as to its existence or amount is:

- (i) An inventory computation; or
- (ii) A profit and loss computation.

- (3) The most we will pay for this Additional Coverage in any annual policy period, regardless of the number of locations scheduled, occurrences, accidents, insureds or claims made is \$25,000 for Employee Dishonesty Coverage. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

- (4) All loss or damage:

- (a) Caused by one or more persons; or
- (b) Involving a single act or series of acts; is considered one occurrence.

- (5) If any loss is covered:

- (a) Partly by this insurance; and
- (b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- (6) This coverage is cancelled as to any employee immediately upon discovery by:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by that employee before or after being hired by you.

- (7) We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

- (8) If you (or any predecessor in interest) sustained loss or damage during the policy period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this coverage, provided:

- (a) This coverage became effective at the time of cancellation or termination of the prior insurance; and

(b) The loss or damage would have been covered by this coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

(9) The insurance under Paragraph (8) above is part of, not in addition to, the Limit of Insurance applying to this coverage and is limited to the lesser of the amount recoverable under:

(a) This coverage as of its effective date; or

(b) The prior insurance had it remained in effect.

**x. Utility Services – Direct Damage**

**(1) Coverage**

We will pay for loss of or damage to Covered Property caused by an interruption in utility service to the described premises. The interruption in utility services must result from direct physical loss or damage by a Covered Cause of Loss to the property described in (3) below and located off the described premises

**(2) Exception**

Coverage under this Additional Coverage for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data.

**(3) Utility Supply Services**

(a) Water Supply Services, meaning the following types of property supplying water to the described premises:

(i) Pumping stations; and

(ii) Water Mains.

(b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

(i) Communication transmission lines, including optic fiber transmission lines;

(ii) Coaxial cables; and

(iii) Microwave radio relays except satellites.

Communication Supply Services does not include overhead transmission lines.

(c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

(i) Utility generating plants;

(ii) Switching stations;

(iii) Substations;

(iv) Transformers; and

(v) Transmission lines.

Power Supply Services does not include overhead transmission lines.

(4) The most we will pay for loss or damage under this Additional Coverage is \$10,000 in any one occurrence. This Additional Coverage, Utility Services – Direct Damage, will not increase the Limits of Insurance provided by this policy. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**5. A. Coverage, 6. Coverage Extensions, a. Newly Acquired or Constructed Property, paragraphs (1) and (2), b. Personal Property Off Premises, c. Outdoor Property, d. Personal Effects, e. Valuable Papers and Records, paragraph (3), and f. Accounts Receivable, paragraph (2) are replaced by the following:**

**a. Newly Acquired Or Constructed Property**

**(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

(a) Your new buildings while being built on the described premises; and

(b) Buildings you acquire at premises other than the one described, intended for:

(i) Similar use as the building described in the Declarations; or

(ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000 at each building.

**(2) Business Personal Property**

(a) If this policy covers Business Personal Property, you may extend that insurance to apply to:

(i) Business Personal Property, including such property that you newly acquire, at any location you acquire.

(ii) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business Personal Property that you newly acquire, located at the described premises.

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Extension is \$250,000 at each premises.



**b. Personal Property Off Premises**

You may extend the insurance that applies to Business Personal Property to apply to covered Business Personal Property, other than “money” and “securities”, “valuable papers and records” or accounts receivable, while it is in the course of transit or temporarily at a premises not described in the Declarations. The most we will pay for loss or damage under this Extension is \$25,000.

**c. Outdoor Property**

You may extend the insurance provided by this policy to apply to your outdoor fences, radio and television antennas (including satellite dishes), signs (other than signs attached to buildings), trees, shrubs and plants, including debris removal expense, caused by or resulting from any of the following causes of loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion;
- (5) Aircraft or Vehicles;
- (6) Windstorm or Hail;
- (7) Smoke; or
- (8) Vandalism.

The most we will pay for loss or damage under this Extension is \$10,000, but not more than \$500 for any one tree, shrub or plant. This limit does not apply in addition to any limit shown for Outdoor Signs coverage in the Declarations.

**d. Personal Effects**

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or “members”, your “managers” or your employees. This extension does not apply to:

- (1) Tools or equipment used in your business; or
- (2) Loss or damage by theft.

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you.

The most we will pay for loss or damage under this extension is \$10,000 at each described premises.

**e. Valuable Papers And Records**

- (3) The most we will pay under this Coverage extension for loss or damage to “valuable papers and records” in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for “valuable papers and records” is shown in the Declarations.

For “valuable papers and records” not at the described premises, the most we will pay is \$10,000.

**f. Accounts Receivable**

- (2) The most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for accounts receivable is shown in the Declarations.

For accounts receivable not at the described premises, the most we will pay is \$10,000.

**6. A. Coverage, 6. Coverage Extensions** is amended by adding the following coverage:

**g. Money and Securities**

- (1) We will pay for loss of “money” and “securities” used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, or while in the custody of a person you have authorized to have custody of the “money” or “securities” at the described premises or in transit between any of these places resulting directly from:

- (a) Theft, meaning any act of stealing;
- (b) Disappearance; or
- (c) Destruction.

- (2) In addition to the Limitations and Exclusions applicable to **Section I – Property**, we will not pay for loss:

- (a) Resulting from accounting or arithmetical errors or omissions;
- (b) Due to the giving or surrendering of property in any exchange or purchase; or
- (c) Of property contained in any “money” operated device unless the amount of “money” deposited in it is recorded by a continuous recording instrument in the device.

- (3) All loss:

- (a) Caused by one or more persons; or
  - (b) Involving a single act or series of related acts;
- is considered one occurrence.

- (4) You must keep records of all “money” and “securities” so we can verify the amount of any loss or damage.

- (5) In the event of loss or damage we will determine the value as follows:

- (a) “Money” at its face value; and
- (b) “Securities” at their value at the close of business on the day the loss is discovered.

(6) The most we will pay under this Extension for loss in any one occurrence is \$10,000. This limit does not apply in addition to any limit shown for this coverage in the Declarations.

**h. Premises Damage Resulting From Burglary or Robbery**

We will pay for loss or damage to the building at the described premises caused by or resulting from actual or attempted burglary or robbery if you are legally obligated to pay such loss or damage. The most we will pay under this Extension is \$5,000 at each described premises.

**i. Claims Data Expense**

We will pay up to \$5,000 for reasonable costs you incur preparing loss data required by policy conditions after a covered property loss. This includes the cost of taking inventory, making appraisals and preparing other data to determine the extent of your loss.

We will not pay for expenses or fees you incur from public insurance adjusters or for expenses related to claims not covered by this policy.

**j. Fine Arts**

We will pay for loss or damage, including breakage, to your fine arts or fine arts of others in your care, custody or control. For the purpose of this Extension fine arts means antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains; rare books; antique silver; rare glass; manuscripts and other bona fide works of art of rarity, historical value or artistic merit.

We will determine the value of the fine arts at market value at the time of loss or damage.

In case of loss or damage to a pair or set, we will pay you the full value of the pair or set and you agree to surrender the remaining articles of the set to us.

Our payment for loss or damage to fine arts of others will only be for the account of the owner of the property. If other insurance exists for loss or damage covered under this Extension, whether it can be collected or not, this Extension will not apply to that part of the loss.

The most we will pay under this Extension is \$10,000.

**7. C. Limits of Insurance, 2.** \$1,000 limitation to outdoor signs attached to buildings, is deleted.

**8.** The following is added to **Section D. Deductibles:**

**4.** With respect to the coverages provided by this endorsement, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds \$500 or the Property Deductible shown on the

Businessowners Declarations, whichever is less. We will then pay the amount of loss or damage in excess of \$500 or the Property

Deductible shown on the Businessowners Declarations, whichever is less, up to the applicable Limit of Insurance.

**9.** Paragraph **a.** of the "Period of Restoration" definition is replaced by the following:

**a.** Begins immediately after the time of direct physical loss or damage caused by or resulting from any covered cause of loss at the described premises; and

**10.** Throughout the forms modified by this endorsement the words "within 100 feet" are replaced with "within 1,000 feet."

**11. Brands and Labels**

**a.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:

**1.** Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or

**2.** Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

**b.** We will pay reasonable costs you incur to perform the activity described in **a.1.** or **a.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

**SECTION II – LIABILITY**

**Section II – Liability** is amended to include the following clarifications and extensions of coverage. The provisions of the coverage form apply unless modified by the endorsement.

**1.** The insurance provided under Paragraphs **A.1.f.(1)(b)** and **A.1.f.(1)(d)** of **Coverage Extension – Supplementary Payments** are replaced by the following:

**(b)** Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

**(d)** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$350 a day because of time off from work.

**2.** Paragraph **A.2.a.(3)(b) Coverages Medical Payments** is replaced by the following:

**b.** The expenses are incurred and reported to us within three years of the date of the accident; and

**3.** With respect to **B.1. Exclusions Applicable To Business Liability Coverage**, Paragraphs **k.(3),**

**k.(4), k.(6)** and l. do not apply to the use of elevators.

The insurance afforded by this provision is excess over any valid and collectible property insurance (including any deductible) available to the insured, and the Other Insurance Condition is changed accordingly.

**4. The following is added to Paragraph C.1. Who Is An Insured:**

**e.** Any legally incorporated subsidiary in which you own more than 50% of the voting stock on the effective date of this policy. However, an insured does not include any subsidiary that is an insured under any other general liability policy, or would have been an insured under such policy but for termination of that policy or the exhaustion of that policy's limits of liability.

**5. The following is added to Paragraph C. Who Is An Insured:**

**3.** Any organization you newly acquire or form, other than a partnership, joint venture, or limited liability company and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

**a.** Coverage under this provision is afforded only until the 180<sup>th</sup> day after you acquire or form the organization or the end of the policy period, whichever is earlier;

**b.** Paragraph **A.1. Business Liability** does not apply to:

**(1)** "Bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

**(2)** "Personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

This provision does not apply to newly formed or acquired organizations coverage is excluded either by the provisions of the Coverage Part or by endorsements.

**6. The following is added to Paragraph E.2. Liability and Medical Expenses General Conditions Duties In The Event of Occurrence, Offense, Claim or Suit** is being amended by the following provisions:

**e.** The requirement in Paragraph **E.2.a.** that you must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim, applies only when the "occurrence" or offense is known to:

**(1)** You, if you are an individual or a limited liability company;

**(2)** A partner, if you are a partnership;

**(3)** A manager, if you are a limited liability company;

**(4)** An executive officer or an insurance manager, if you are a corporation; or

**f.** The requirement in Paragraph **E.2.b.** that you must see to it that we receive notice of a claim or "suit" as soon as practicable will not be considered breached unless the breach occurs after such claim or "suit" is known to:

**(1)** You, if you are an individual or a limited liability company;

**(2)** A partner, if you are a partnership;

**(3)** A manager, if you are a limited liability company;

**(4)** An executive officer or an insurance manager, if you are a corporation; or

**7. Paragraph F.3. Liability and Medical Expenses Definitions** is replaced by the following:

**3.** "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at anytime.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LAUNDRY/DRY CLEANER INDUSTRY EXTENSION**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **Section I – Property**

With respect to coverage provided by this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by this endorsement. However, if any of the property covered by this endorsement is also covered under any other provisions of the policy of which this endorsement is made a part, you, in the event of loss or damage, may elect to make claim (1) under such other provisions in which case none of the provisions of this coverage provided by this endorsement are applicable, or (2) under the provisions of this endorsement in which case coverage provided by this endorsement becomes sole coverage on such property.

1. **A. Coverage 6. Coverage Extensions, d. Personal Effects of Section I – Property** is replaced by the following:

You may extend the insurance that applies to Business Personal Property to apply to Personal Effects owned by you, your officers, your partners, or your employees. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you. The most we will pay for loss or damage under this extension is \$5,000 per location, but not more than \$500 for property owned by any one individual.

2. **A. Coverage, 5. Additional Coverages of Section I – Property** is amended by adding the following coverage:

#### **Extra Expense From Dependent Properties**

- (1) We will pay for the actual loss of Extra Expense you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from and Covered Cause of Loss.
- (2) Dependent property means property operated by others whom you depend on to:
  - (a) Deliver materials or services to you or to others for your account. But services does not mean water, communication or power supply services;
  - (b) Accept your products or services;
  - (c) Manufacture products for delivery to your customers under contracts of sale; or
  - (d) Attract customers to your business.

The dependent property must be located in the coverage territory of this policy.

- (3) The definition of Extra Expense contained in the Extra Expense Additional Coverage also applies to this Extra Expense From Dependent Properties Additional Coverage.

- (4) The most we will pay under this Additional Coverage is \$10,000 at each described premises due to damage from a Covered Cause of Loss at any one dependent property.

### **3. Laundry/Dry Cleaner Bailee's Coverage**

#### **A. COVERAGE**

We will pay for loss to Covered Property from any of the Covered Causes of Loss.

#### **1. Covered Property**

Paragraph **A.1.b.(2)** is replaced by the following:

Covered Property, as used in this Coverage Form, means the property of others accepted by you for cleaning, renovating, pressing, dyeing, repairing, laundering or "storage" while such property is in your custody, or in the custody of your agents, sub-contractors or branch stores:

- a. At your premises described in the Declarations;
- b. Located on the premises of your agents, sub-contractors or branch stores; or
- c. In transit to or from your customers, agents, sub-contractors or branch stores.

#### **2. Property Not Covered**

Covered Property does not include:

- a. Jewelry, watches, precious and semi-precious stones;
- b. Money, currency, gold or silver bullion and platinum;
- c. Securities, notes, stamps, evidences of debt;
- d. Property shipped by mail or parcel post;
- e. Air shipments, unless by scheduled air transportation carriers; or
- f. Property held for "storage" unless a storage receipt is issued for such property.

### 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS to Covered Property, except those causes of loss listed in the Exclusions.

### 4. Additional Coverage – Collapse

We will pay for direct loss or damage caused by or resulting from risks of direct physical loss involving collapse of all or part of a building or structure caused by one or more of the following:

- a. The “specified causes of loss” or breakage of building glass, all only as insured against in this policy;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof; or
- f. Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

## B. EXCLUSIONS

1. We will not pay for a loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

#### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would otherwise be covered under this Endorsement.

#### b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But we will pay for direct loss caused by a resulting fire, if the fire would otherwise be covered under this Coverage Form.

#### c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

### d. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:
  - (a) Foundations, walls, floors or paved surfaces;
  - (b) Basements, whether paved or not; or
  - (c) Doors, windows or other openings; or
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1., 3., or 4., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraph 1. Through 5., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs 1. Through 5., results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

#### e. Earth Movement

- (1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.
- (2) Volcanic eruption, explosion or effusion. But if loss or damage by fire, building glass breakage or volcanic action results, we will pay for that resulting loss or damage.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

  - (a) Airborne volcanic blast or airborne shock waves;

(b) Ash, dust or particulate matter; or

(c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the Covered Property.

**f. Power Failure**

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

**2. We will not pay for loss or damage caused by or resulting from any of the following:**

- a.** Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a carrier for hire.

- b.** Theft from any unattended vehicle in which Covered Property is being held overnight unless there are visible signs that the theft was the result of forced entry into a locked building in which the vehicle was garaged.

- c.** Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons or occurring during the hours of employment.

But this exclusion does not apply to a carrier for hire.

- d.** Delay, loss of market, loss of use.
- e.** Misdelivery or careless destruction of goods.
- f.** Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- g.** Unauthorized instructions to transfer property to any person or to any place.
- h.** Property that is missing, but there is no physical evidence to show what happened to it, such as shortage disclosed on taking inventory.
- i.** Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires.

But if loss or damage by fire results, we will pay for that resulting loss or damage.

- j.** Collapse, except as provided in the Additional Coverage – Collapse section of this Coverage Form.

- k.** Wear and tear; any quality in the property that causes it to damage or destroy itself; hidden or latent defect; gradual deterioration; depreciation; mechanical breakdown; insects; vermin; rodents; corrosion; rust; dampness; cold or heat.

**3. We will not pay for a loss caused by or resulting from any of the following. But if loss by a Covered Cause of Loss results, we will pay for that resulting loss.**

- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph **B.1.** above to produce the loss.

- b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c.** Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction renovation or remodeling; or

(4) Maintenance;

of part of all of any property wherever located.

**C. LIMITS OF INSURANCE**

The most we will pay for loss in any one occurrence to:

- 1.** Covered Property, other than property in “storage” or in transit, is the actual loss sustained, not to exceed the total actual cash value of the Covered Property in this endorsement.

- 2.** Covered Property in “storage” is the Limit of Insurance per location shown in the Declarations for Property in Storage.

- 3.** Covered Property in transit is the Limit of Insurance shown in the Declarations for Property in Transit.

But we will not pay more than \$5,000 for loss in any one occurrence to furs or fur trimmed garments. This \$5,000 limit is part of and not in addition to the otherwise applicable Limit(s) of Insurance.

**D. DEDUCTIBLE**

We will not pay for loss in any one occurrence until the amount of the adjusted loss before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss in excess of the Deductible, up to the applicable Limit of Insurance.

## E. ADDITIONAL CONDITIONS

The following conditions apply in addition to **Section I – Property – E. Property Loss Conditions and Section III – Common Policy Conditions.**

### 1. Pair, Sets or Parts

- a. Pair or Set. In case of loss to any part of a pair or set we may:
  - (1) Repair or replace any part to restore the pair or set to its value before the loss; or
  - (2) Pay the difference between the value of the pair or set before and after the loss.
- b. Parts. In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

### 2. Valuation

The following replaces Property Loss Condition paragraph **E.5.d. of Section I – Property.**

- a. The value of Covered Property other than Property in Storage will be the lesser of:
  - (1) The amount for which you are liable, plus the value of labor and materials you have added; or
  - (2) Actual cash value, including labor and materials you have added.  
In the event of loss, the value of property will be determined as of the time of loss.
- b. The value of Covered Property in Storage will be the least of:
  - (1) The Limit of Liability recorded on the storage receipt or contract for the order or article;
  - (2) If there is no Limit of Liability recorded for each article, the value the article bears to the total value of all articles in the order;
  - (3) If a formal “storage” receipt or contract is not used with a recorded Limit of Liability, a maximum of \$200 per order;
  - (4) The cost of replacing that property with substantially identical property; or
  - (5) The actual cash value of the property at the time of loss.

### 3. Theft Losses

All thefts for which claims are made under this Endorsement must be reported promptly to the police.

### 4. “Storage” Receipt

A “storage” receipt must be issued for all Covered Property accepted for storage.

## F. DEFINITIONS

- 1. “SPECIFIED CAUSES OF LOSS” means the following:

Fire, lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.

- b. Falling objects does not include loss of or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

- 2. “STORAGE” means only Covered Property accepted for which a storage receipt is issued. Such receipt shall specify the name and address of the customer, the description of the property stored and the value declared by the customer for such property.

Covered Property held by you without specific instructions from the owner to hold in storage will not be considered to be held in storage. Property held in this manner will no longer be considered Covered Property 60 days after it is accepted from the customer.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **LAUNDRY/DRY CLEANER INDUSTRY EXTENSION**

This endorsement modifies insurance provided under the following:

### **BUSINESSOWNERS COVERAGE FORM**

#### **Section I – Property**

With respect to coverage provided by this endorsement, the provisions of the Businessowners Coverage Form apply, unless modified by this endorsement. However, if any of the property covered by this endorsement is also covered under any other provisions of the policy of which this endorsement is made a part, you, in the event of loss or damage, may elect to make claim (1) under such other provisions in which case none of the provisions of this coverage provided by this endorsement are applicable, or (2) under the provisions of this endorsement in which case coverage provided by this endorsement becomes sole coverage on such property.

**1. A. Coverage 6. Coverage Extensions, d. Personal Effects of Section I – Property** is replaced by the following:

You may extend the insurance that applies to Business Personal Property to apply to Personal Effects owned by you, your officers, your partners, or your employees. If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss in excess of the amount due from that other insurance. At our option any loss covered under this extension may be adjusted with and payable to you. The most we will pay for loss or damage under this extension is \$5,000 per location, but not more than \$500 for property owned by any one individual.

**2. A. Coverage, 5. Additional Coverages of Section I – Property** is amended by adding the following coverage:

Extra Expense From Dependent Properties

- (1)** We will pay for the actual loss of Extra Expense you sustain due to physical loss or damage at the premises of a dependent property caused by or resulting from and Covered Cause of Loss.
- (2)** Dependent property means property operated by others whom you depend on to:
  - (a)** Deliver materials or services to you or to others for your account. But services does not mean water, communication or power supply services;
  - (b)** Accept your products or services;
  - (c)** Manufacture products for delivery to your customers under contracts of sale; or

**(d) Attract customers to your business.**

The dependent property must be located in the coverage territory of this policy.

- (3)** The definition of Extra Expense contained in the Extra Expense Additional Coverage also applies to this Extra Expense From Dependent Properties Additional Coverage.
- (4)** The most we will pay under this Additional Coverage is \$10,000 at each described premises due to damage from a Covered Cause of Loss at any one dependent property.

### **3. Laundry/Dry Cleaner Bailee's Coverage**

#### **A. COVERAGE**

We will pay for loss to Covered Property from any of the Covered Causes of Loss.

##### **1. Covered Property**

Paragraph **A.1.b.(2)** is replaced by the following:

Covered Property, as used in this Coverage Form, means the property of others accepted by you for cleaning, renovating, pressing, dyeing, repairing, laundering or "storage" while such property is in your custody, or in the custody of your agents, sub-contractors or branch stores:

- a.** At your premises described in the Declarations;
- b.** Located on the premises of your agents, sub-contractors or branch stores; or
- c.** In transit to or from your customers, agents, sub-contractors or branch stores.

##### **2. Property Not Covered**

Covered Property does not include:

- a.** Jewelry, watches, precious and semi-precious stones;
- b.** Money, currency, gold or silver bullion and platinum;
- c.** Securities, notes, stamps, evidences of debt;
- d.** Property shipped by mail or parcel post;
- e.** Air shipments, unless by scheduled air transportation carriers; or



- f. Property held for "storage" unless a storage receipt is issued for such property.

### 3. Covered Causes of Loss

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL LOSS to Covered Property, except those causes of loss listed in the Exclusions.

### 4. Additional Coverage – Collapse

We will pay for direct loss or damage caused by or resulting from risks of direct physical loss involving collapse of all or part of a building or structure caused by one or more of the following:

- a. The "specified causes of loss" or breakage of building glass, all only as insured against in this policy;
- b. Hidden decay;
- c. Hidden insect or vermin damage;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof; or
- f. Use of defective materials or methods in construction, remodeling or renovation if the collapse occurs during the course of construction, remodeling or renovation.

This Additional Coverage does not increase the Limits of Insurance provided in this Coverage Form.

## B. EXCLUSIONS

- 1. We will not pay for a loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would otherwise be covered under this Endorsement.

### b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But we will pay for direct loss caused by a resulting fire, if the fire would otherwise be covered under this Coverage Form.

### c. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

### d. Water

- (1) Flood, surface water, waves, (including tidal wave and tsunami), tides, tidal waves water, overflow of any body of water, or their spray from any of these, all whether or not driven by wind or not; (including storm surge)

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer or drain; sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;

- (b) Basements, whether paved or not; or

- (c) Doors, windows or other openings.

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph 1., 3., or 4., or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraph 1. through 5., is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs 1. through 5., results in loss or damage by fire, explosion or sprinkler leakage results, we will pay for that resulting the loss or damage caused by that fire, explosion or sprinkler leakage.

### e. Earth Movement

- (1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising

or shifting. But if loss or damage by fire or explosion results, we will pay for that resulting loss or damage.

- (2) Volcanic eruption, explosion or effusion. But if loss or damage by fire, building glass breakage or volcanic action results, we will pay for that resulting loss or damage.

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the Covered Property.

**f. Power Failure**

The failure of power or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

But if loss or damage by a Covered Cause of Loss results, we will pay for that resulting loss or damage.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

But this exclusion does not apply to property in the custody of a carrier for hire.

- b. Theft from any unattended vehicle in which Covered Property is being held overnight unless there are visible signs that the theft was the result of forced entry into a locked building in which the vehicle was garaged.
- c. Dishonest acts by you, anyone else with an interest in the property, your or their employees or authorized representatives or anyone entrusted with the property, whether or not acting alone or in collusion with other persons

or occurring during the hours of employment.

But this exclusion does not apply to a carrier for hire.

- d. Delay, loss of market, loss of use.
- e. Misdelivery or careless destruction of goods.
- f. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- g. Unauthorized instructions to transfer property to any person or to any place.
- h. Property that is missing, but there is no physical evidence to show what happened to it, such as shortage disclosed on taking inventory.
- i. Artificially generated electric current, including electric arcing, that disturbs electrical devices, appliances or wires.  
But if loss or damage by fire results, we will pay for that resulting loss or damage.
- j. Collapse, except as provided in the Additional Coverage – Collapse section of this Coverage Form.
- k. Wear and tear; any quality in the property that causes it to damage or destroy itself; hidden or latent defect; gradual deterioration; depreciation; mechanical breakdown; insects; vermin; rodents; corrosion; rust; dampness; cold or heat.

3. We will not pay for a loss caused by or resulting from any of the following. But if loss by a Covered Cause of Loss results, we will pay for that resulting loss.

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph **B.1.** above to produce the loss.
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
- c. Faulty, inadequate or defective:
  - (1) Planning, zoning, development, surveying, siting;
  - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
  - (3) Materials used in repair, construction renovation or remodeling; or
  - (4) Maintenance;

of part of all of any property wherever located.

### C. LIMITS OF INSURANCE

The most we will pay for loss in any one occurrence to:

1. Covered Property, other than property in "storage" or in transit, is the actual loss sustained, not to exceed the total actual cash value of the Covered Property in this endorsement.
2. Covered Property in "storage" is the Limit of Insurance per location shown in the Declarations for Property in Storage.
3. Covered Property in transit is the Limit of Insurance shown in the Declarations for Property in Transit.

But we will not pay more than \$5,000 for loss in any one occurrence to furs or fur trimmed garments. This \$5,000 limit is part of and not in addition to the otherwise applicable Limit(s) of Insurance.

### D. DEDUCTIBLE

We will not pay for loss in any one occurrence until the amount of the adjusted loss before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss in excess of the Deductible, up to the applicable Limit of Insurance.

### E. ADDITIONAL CONDITIONS

The following conditions apply in addition to **Section I – Property – E. Property Loss Conditions and Section III – Common Policy Conditions.**

#### 1. Pair, Sets or Parts

- a. Pair or Set. In case of loss to any part of a pair or set we may:
  - (1) Repair or replace any part to restore the pair or set to its value before the loss; or
  - (2) Pay the difference between the value of the pair or set before and after the loss.
- b. Parts. In case of loss to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### 2. Valuation

The following replaces Property Loss Condition paragraph **E.5.d. of Section I – Property.**

- a. The value of Covered Property other than Property in Storage will be the lesser of:
  - (1) The amount for which you are liable, plus the value of labor and materials you have added; or

- (2) Actual cash value, including labor and materials you have added.

In the event of loss, the value of property will be determined as of the time of loss.

- b. The value of Covered Property in Storage will be the least of:

- (1) The Limit of Liability recorded on the storage receipt or contract for the order or article;
- (2) If there is no Limit of Liability recorded for each article, the value the article bears to the total value of all articles in the order;
- (3) If a formal "storage" receipt or contract is not used with a recorded Limit of Liability, a maximum of \$200 per order;
- 4) The cost of replacing that property with substantially identical property; or
- (5) The actual cash value of the property at the time of loss.

### 3. Theft Losses

All thefts for which claims are made under this Endorsement must be reported promptly to the police.

### 4. "Storage" Receipt

A "storage" receipt must be issued for all Covered Property accepted for storage.

### F. DEFINITIONS

1. "SPECIFIED CAUSES OF LOSS" means the following:

Fire, lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.

- b. Falling objects does not include loss of or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
- 2. "STORAGE" means only Covered Property accepted for which a storage receipt is issued. Such receipt shall specify the name and address of the customer, the description of the property stored and the value declared by the customer for such property.

Covered Property held by you without specific instructions from the owner to hold in storage will not be considered to be held in storage. Property held in this manner will no longer be considered Covered Property 60 days after it is accepted from the customer.

<i>SERFF Tracking Number:</i>	<i>EMCC-125834389</i>	<i>State:</i>	<i>Arkansas</i>
<i>First Filing Company:</i>	<i>EMC Property &amp; Casualty Company, ...</i>	<i>State Tracking Number:</i>	<i>EFT \$50</i>
<i>Company Tracking Number:</i>	<i>AR-BOP-2008-06</i>		
<i>TOI:</i>	<i>05.0 Commercial Multi-Peril - Liability &amp; Non-</i>	<i>Sub-TOI:</i>	<i>05.0002 Businessowners</i>
	<i>Liability</i>		
<i>Product Name:</i>	<i>Businessowners Program</i>		
<i>Project Name/Number:</i>	<i>/</i>		

## Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number:	EMCC-125834389	State:	Arkansas
First Filing Company:	EMC Property & Casualty Company, ...	State Tracking Number:	EFT \$50
Company Tracking Number:	AR-BOP-2008-06		
TOI:	05.0 Commercial Multi-Peril - Liability & Non- Liability	Sub-TOI:	05.0002 Businessowners
Product Name:	Businessowners Program		
Project Name/Number:	/		

## Supporting Document Schedules

<b>Satisfied -Name:</b>	Uniform Transmittal Document-Property & Casualty	<b>Review Status:</b>	Approved	09/29/2008
<b>Comments:</b>				
<b>Attachment:</b>				
pctd.pdf				

## Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">New Business</div> <div style="width: 55%;"></div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">Renewal Business</div> <div style="width: 55%;"></div> </div> f. State Filing #: g. SERFF Filing #: h. Subject Codes
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<b>3. Group Name</b>	<b>Group NAIC #</b>
EMC Insurance Companies	062

4. Company Name(s)	Domicile	NAIC #	FEIN #
Employers Mutual Casualty Company	IA	21415	42-0234980
EMCASCO Insurance Company	IA	21407	42-6070764
Union Insurance Company of Providence	IA	21423	05-0230476
EMC Property & Casualty Company	IA	25186	63-0329091

<b>5. Company Tracking Number</b>	<b>AR-BOP-2008-06</b>
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**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Jo L. Byers P.O. Box 712 Des Moines, IA 50306-0712	Filings Analyst	800-247-2128 ext. 2707	515-345-2223	Jo.L.Byers@EMCIns.com

7.	Signature of authorized filer	
8.	Please print name of authorized filer	Jo L. Byers

**Filing information** (see General Instructions for descriptions of these fields)

9.	Type of Insurance (TOI)	Businessowners
10.	Sub-Type of Insurance (Sub-TOI)	Businessowners
11.	State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12.	Company Program Title (Marketing title)	Businessowners Program
13.	Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14.	Effective Date(s) Requested	New: 1/1/09      Renewal: 1/1/09

**Property & Casualty Transmittal Document---**

15.	Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16.	Reference Organization (if applicable)	
17.	Reference Organization # & Title	
18.	Company's Date of Filing	9/26/08
19.	Status of filing in domicile	<input type="checkbox"/> Not Filed <input type="checkbox"/> Pending <input checked="" type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

20.	This filing transmittal is part of Company Tracking #	AR-BOP-2008-06
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21.	<b>Filing Description</b> [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
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ISO's multistate form revision found in reference number CL-2008-OWEFO has been filed on our behalf.

We will be adopting this revision using their effective date. In connection with this adoption, we are revising three endorsements to track with ISO's new endorsement BP0159 (08-08) Water Exclusion Endorsement.

BP7100 (9-08) Businessowners Extension Endorsement replaces BP7100 (8-08), which was approved July 1, 2008

BP7200 (9-08) Expanded Businessowners Extension Endorsement replaces BP7200 (8-08), which was approved July 1, 2008

BP7141 (9-08) Laundry/Dry Cleaner Industry Extension replaces BP7141 (8-08), which was approved July 1, 2008

22.	<b>Filing Fees</b> (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
Check #: N/A Amount: \$50.00	
<b>Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.</b>	

\*\*\*Refer to each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)



**FORM FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

<b>1.</b>	<b>This filing transmittal is part of Company Tracking #</b>		AR-BOP-2008-06		
<b>2.</b>	<b>This filing corresponds to rate/rule filing number</b> (Company tracking number of rate/rule filing, if applicable)				
<b>3.</b>	<b>Form Name /Description/Synopsis</b>	<b>Form # Include edition date</b>	<b>Replacement Or withdrawn?</b>	<b>If replacement, give form # it replaces</b>	<b>Previous state filing number, if required by state</b>
01	Businessowners Extension Endorsement	BP7100 (9-08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	BP7100 (8-08)	
02	Expanded Businessowners Extension Endorsement	BP7200 (9-08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	BP7200 (8-08)	
03	Laundry/Dry Cleaner Industry Extension	BP7121 (9-08)	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	BP7141 (8-08)	
04			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
05			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
06			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
07			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
08			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
09			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		